



9 January 2018

Ms Jo-anne Schofield
National Secretary
United Voice

Sent via email:

Dear Ms Schofield

Re: – United Voice, National Council - financial report for year ending 30 June 2017 (FR2017/204)

I refer to the financial report of the National Council of United Voice. The documents were lodged with the Registered Organisations Commission ('the ROC') on 19 December 2017.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

You are not required to take any further action in respect of the report lodged. However I make the following comments to assist when preparing the next financial report. Please note the financial report for the period ending 30 June 2018 may be subject to an advanced compliance review.

Activities under Reporting Guidelines (RGs) not disclosed

Items 13, 17 and 23 of the RGs state that if any activities identified in items 12, 16 and 22 respectively have not occurred in the reporting period, a statement to this effect¹ must be included in the notes to the GPFR. I note that for the following RG items no such nil disclosure has been made:

- 12 – acquisition of an asset or liability due to an amalgamation under Part 2 of Chapter 3, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- 16(d) - compulsory levies expense²
- 16(k) - penalties imposed under RO Act
- 20(b)(ii) - payables in respect of legal costs and other expenses related to 'other legal matters'
- 22(a) - name and balance of any fund or account for compulsory levies or voluntary contributions
- 22(c) – name and balance of any other fund or account other than the general fund required by the rules of the organisation
- 22(d) - details of any transfer or withdrawal to any fund, account or controlled entity kept for a specific purpose

¹ Or an itemised nil balance as illustrated in the model financial statements

² As distinct from compulsory levies revenue [RG14(c)]

Reporting Requirements

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission



19 December, 2017

Mr Mark Bielecki
Registered Organisations Commission

By email: regorgs@roc.gov.au

Dear Mr Bielecki

RE: NATIONAL COUNCIL FINANCIAL REPORTS

I am writing to lodge the financial reports for the United Voice National Council for the year ended 30 June 2017. Enclosed is the full Financial Report including:

- The National Executive Statement signed by the National Secretary
- The Operating Report signed by the National Secretary
- The Independent Audit Report signed by the Auditors
- The Accounts, including the notes to and forming part of the accounts.

The financial reports were sent to the National Executive on the 22 November, 2017. The Executive resolved:

- That the operating report be approved and signed
- To endorse the National Executive Statement
- That the National Secretary be authorised to sign the National Executive Statement
- That the financial reports be distributed to members by publication on the United Voice website and advertising that link in November edition of Union News.

Subsequently the financial report including the General Purpose Financial Report, the Auditors statements and the operating report were supplied to members through publication on the United Voice website. Members also received a copy of Union News which contained an advertisement advising members how to view the reports on the website.

A full report was provided to the Committee of Management on 14 December, 2017 and was adopted. Also enclosed is a copy of the National Secretary's certificate dated 19

December, 2017.

On the basis of the above and the enclosed documentation it would seem that the United Voice National Council has complied with the audit and reporting requirements of the Act.

If you have any questions please contact me.

Yours faithfully

A handwritten signature in black ink that reads "Jo-Anne Schofield". The signature is written in a cursive style with a large, looping initial "J".

JO-ANNE SCHOFIELD
NATIONAL SECRETARY

UNITED VOICE NATIONAL COUNCIL

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2017

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Jo-anne Schofield, being the National Secretary of the United Voice National Council certify:

- That the documents lodged herewith are copies of the full report for United Voice National Council, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on the 23 November, 2017; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on the 14th December, 2017 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed



Jo-anne Schofield

NATIONAL SECRETARY

Date

19/12/2017.

UNITED VOICE NATIONAL COUNCIL

Financial Report for 2016-17

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT

United Voice is a union of workers organising to win better jobs, stronger communities, a fairer society and a sustainable future.

This Operating Report covers the activities of United Voice National Council for the financial year ended 30 June 2017.

1. Principal Activities of the National Council

The principal activities of the National Council of the Union, as conducted through the National Office, during the past year fell into the following categories:

- Implementation of the decisions of the National Executive and National Council.
- Implementation of the union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns.
- Coordination of campaigns undertaken by the union. This particularly focussed on the save our weekend campaign and the child care industry.
- Industrial work on both the Penalty Rates case and the ERO case.
- The administration of federal awards and initiating and responding to variations to federal awards.
- Participation in campaigns and other work conducted by the ACTU and on the ACTU Executive.
- Management of information technology, the membership database and strategic systems designed to support organising.
- National media and communications to members and to the broader community via media and public comment, video and film development, websites and social media and targeted publications, including the national magazine.
- National bargaining in key industries and assistance to branches on bargaining by request.
- Assisting branches in their implementation of the union's policies and the priorities established by the National Council and National Executive.
- Lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to United Voice members e.g. the funding of aged care and the government tendering process for cleaners.
- Advocacy to bodies set up by government to enquire into policy areas affecting United Voice members including enquiries by the Productivity Commission.
- Research and campaigning on social justice issues that affect United Voice members including penalty rates, secure jobs and diversity.

This has led to the National Union leading the save our weekend campaign. The National Council will also oversee the landmark ERO case.

There have been no significant changes in the work of the National Council in 2016-17.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

2. The National Council's Financial Affairs

United Voice ended the 2016-17 year with an operating surplus of \$525,454.

The income of the National Council in 2016-17 was \$13.2m which is a small decrease of \$.3m. This decrease is due to a fall in sundry income and transfers from the Branches.

Expenses also decreased in 2016-17 by \$.4m mainly due to a decrease in donations.

This resulted in a surplus in the profit and loss which increased the accumulated funds of the National Council to \$42,344,415. Most of these assets are held as property but Cash Investments also increased in 2016-17 to \$8m. National Council continues to hold cash assets to cover all employees leave entitlements.

3. Right of Members to Resign

All Members of the Union have the right to resign from the Union in accordance with Rule 10 of the Union Rules, and Section 174 of the Fair Work (Registered Organisations) Act 2009

In accordance with Section 174(1) of the Fair Work (Registered Organisations) Act 2009, a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a Branch of the organisation.

4. Superannuation Trustees

David McElrea was an elected official of the National Office and a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund for the period to January, 2017.

Rebecca Stark was an officer of the National Office and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund for the period to December, 2016.

Robyn Buckler is an officer of the SA Branch and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund.

Bev Myers is an officer of the National Office and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund for the period February 2017 to June 2017.

Helen Gibbons is an elected official of the National Office and is a member of the Board of Directors of HESTA.

Robert Lewtas is an officer of the Western Australian Branch of the Union and is an alternate Director for Australian Super Fund.

Tim Lyons and Judith Hill have been contracted to fill positions as Trustee on the Board of Host Plus.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

All fees (including superannuation) paid for these positions were paid to the Union apart from HESTA who pay the superannuation of the Director's Fee directly to the official. United Voice has sought a ruling from the ATO on this matter. In 2016-17 \$5,360 was paid directly to the superannuation account of Helen Gibbons.

Where Directors positions are filled by Branch employees 50% of the fee received on behalf of that Director is transferred to the Branch.

Total Income received in 2016-17 as payment for Directors was:

Australian Super	\$ 2,524
Host Plus	\$187,821 (\$40,107 transferred to SA Branch)
Hesta	\$ 56,422 (\$39,924 transferred to WA Branch)

5. Membership of the Union

There were 100,894 members of the union as at 30 June 2017.

6. Employees of the National Council

As at 30 June 2017 the National Council employed 24 full time employees and 7 part time employees with a total number of 28.75 employees on a fulltime equivalent basis working in National Office.

The ACT Branch employees were also employed by the National Office as at 30 June 2017. The ACT Branch has 6 full time employees.

The Tasmanian Branch employees were also employed by the National Office as at 30 June 2017. The Tasmanian Branch has 5 full time employees and 8 part time employees with a total number of 10.29 employees on a fulltime equivalent basis.

The NT Branch employees were also employed by the National Office as at 30 June 2017. The NT Branch has 8 full time employees and 1 part time employee with a total number of 8.8 employees on a fulltime equivalent basis.

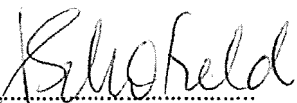
7. National Executive

The following persons were members of the National Executive, during the year ending 30 June 2017:

<i>Name</i>	<i>Period of appointment</i>
Jo-anne Schofield	1.7.16 to 30.6.17
Helen Gibbons	1.7.16 to 30.6.17
David McElrea	1.7.16 to 13.1.17
Mel Gatfield	1.7.16 to 30.6.17
Julie Korleveska	1.7.16 to 30.6.17
Carolyn Smith	1.7.16 to 30.6.17

Karma Lord	11.8.16 to 30.6.17
Jess Walsh	1.7.16 to 30.6.17
Ben Redford	1.7.16 to 30.6.17
Jannette Armstrong	1.7.16 to 30.6.17
Lyndal Ryan	1.7.16 to 30.6.17
Erina Early	1.7.16 to 30.6.17
David Di Troia	1.7.16 to 30.6.17
Donna Duke	1.7.16 to 30.6.17
Gary Bullock	1.7.16 to 30.6.17
Sheila Hunter	1.7.16 to 30.6.17

For the National Executive


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JO-ANNE SCHOFIELD
23 November, 2017

UNITED VOICE NATIONAL COUNCIL

NATIONAL EXECUTIVE'S STATEMENT

On the 22nd November, the National Executive of United Voice National Council, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2017:

The National Council declares in relation to the GPFR that in its opinion:

- (a) The financial statements and notes comply with the Australian Accounting Standards;
- (b) The financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) There are reasonable grounds to believe that the National Council will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) Meetings of the National Executive were held in accordance with the rules of the organization and the rules of the National Council; and
 - (ii) The financial affairs of the National Council have been managed in accordance with the rules of the organization and the rules of the National Council; and
 - (iii) The financial records of the National Council have been kept and maintained in accordance with the RO Act; and
 - (iv) The financial records of the National Council have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) No information has been sought in any request of a member of the National Council or the Commissioner under section 272 of the RO Act; and
 - (vi) No order for inspection of the financial records has been made by the Fair Work Commission under section 273 of the RO Act.
- (f) During the financial year ended 30 June 2017 the National Council did not participate in any recovery of wages activity.

For the National Executive:


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JO-ANNE SCHOFIELD

23 November, 2017

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017	2016
REVENUE		\$	\$
Membership income	5A	3,364,811	2,986,358
Sustentation Fees	5B	6,256,010	6,301,992
Levies	5C	-	-
Interest Received	5D	155,327	159,246
Property Revenue	5E	2,697,206	2,960,970
Merchandising Revenue	5F	5,267	4,110
Other Revenue	5G	799,706	844,125
Total Revenue		<u>13,278,327</u>	<u>13,256,802</u>
Other Income			
Grants and donations	5H	2,737	393,526
Net gain from sale of assets	5I	5,320	-
Total Other Income		<u>8,057</u>	<u>393,526</u>
Total Income		<u>13,286,384</u>	<u>13,650,328</u>
EXPENSES			
Employee Expenses	6A	6,730,210	6,193,054
Indirect employment costs	6B	99,921	105,708
Affiliation fees	6C	871,309	671,908
Administration expenses	6D	293,088	264,347
Depreciation	6E	193,627	440,247
Grants and donations	6F	210,087	725,583
Finance costs	6G	64,489	103,265
Legal & Professional costs	6H	199,392	441,203
Audit fees	6I	41,799	45,670
Meeting and conference costs	6J	867,958	691,341
Campaign costs	6K	20,394	596,117
Communication costs	6L	472,433	559,712
IT costs	6M	675,672	663,918
Property costs	6N	1,060,810	1,388,160
Research costs	6O	578,078	293,042
Assistance to NT Branch	6P	-	109,477
Loss from sale of assets	6Q	-	364
TOTAL EXPENDITURE		<u>12,379,267</u>	<u>13,293,115</u>
OPERATING SURPLUS FOR YEAR		<u>907,117</u>	<u>357,213</u>
(Loss)/Gain on revaluation of Thomas St property		<u>(381,663)</u>	<u>6,578,283</u>
Total comprehensive income for the year		<u>525,454</u>	<u>6,935,496</u>

**UNITED VOICE NATIONAL COUNCIL
BALANCE SHEET AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash and Cash Equivalents	7A	2,230,189	3,414,495
Trade and Other Receivables	7B	1,885,254	2,059,040
Stock on Hand		34,398	49,155
Investments			
Term Deposits - Employee Leave Fund	7C	<u>8,017,222</u>	<u>6,144,932</u>
		<u>8,017,222</u>	<u>6,144,932</u>
TOTAL CURRENT ASSETS		<u>12,167,063</u>	<u>11,667,622</u>
NON CURRENT ASSETS			
Receivables			
Financial Assets		557	557
Property, Plant and Equipment	8A	7,392,550	7,572,006
Investment property	8C	<u>25,118,337</u>	<u>25,500,000</u>
TOTAL NON CURRENT ASSETS		<u>32,511,444</u>	<u>33,072,563</u>
TOTAL ASSETS		<u>44,678,507</u>	<u>44,740,185</u>
LESS CURRENT LIABILITIES			
Payables			
Sundry Creditors	9A	1,118,242	1,780,682
Provisions			
Provision for Annual Leave	10A	656,020	663,549
Provision for Long Service Leave	10A	<u>379,765</u>	<u>365,206</u>
TOTAL CURRENT LIABILITIES		<u>2,154,027</u>	<u>2,809,437</u>
NON CURRENT LIABILITIES			
Provision for long service leave	10A	<u>180,065</u>	<u>111,787</u>
TOTAL LIABILITIES		<u>2,334,092</u>	<u>2,921,224</u>
NET ASSETS		<u>42,344,415</u>	<u>41,818,960</u>
Accumulated Funds		29,138,936	28,613,481
Asset revaluation reserve		<u>13,205,479</u>	<u>13,205,479</u>
TOTAL ACCUMULATED FUNDS		<u>42,344,415</u>	<u>41,818,960</u>

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2017**

	Asset Revaluation Reserve \$	Retained Earnings \$	Total \$
Balance as at 1 July 2015	9,670,475	21,919,513	31,589,988
Surplus for the year	-	6,935,496	6,935,496
Other Comprehensive income for the year	-	-	-
Transfer from NT Branch	965,653	(241,527)	724,126
Revaluation increment Cleveland St	<u>2,569,351</u>	<u>-</u>	<u>2,569,351</u>
Closing balance as at 30 June 2016	13,205,479	28,613,481	41,818,960
Surplus for the year	-	525,454	525,454
Other Comprehensive income for the year	-	-	-
Closing balance as at 30 June 2017	<u>13,205,479</u>	<u>29,138,935</u>	<u>42,344,415</u>

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
OPERATING ACTIVITIES			
Cash received			
Sustentation received from other reporting units	11C	6,885,577	7,009,533
Other Receipts from reporting units	11C	351,877	1,193,129
Membership contributions		3,705,853	3,284,994
Interest received		173,073	140,653
Other income		1,494,830	340,960
Cash used			
Payments to employees		(6,653,069)	(6,071,562)
Payments to suppliers		(6,047,777)	(4,676,885)
Payments to other reporting units	11C	(575,261)	(571,348)
Net Cash from (used by)/provided operating activities	11B	(664,898)	649,473
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		11,705	12,750
Distribution from Thomas Street property account		1,361,732	964,583
Cash used			
Purchase of property plant and equipment		(20,554)	(250,342)
Payments for investments		(1,872,290)	(39,847)
Net cash (used by)/from investing activities		(519,407)	687,144
FINANCING ACTIVITIES			
Net cash from (used by) financing activities		-	-
NET (DECREASE)/INCREASE IN CASH HELD		(1,184,305)	1,336,618
Cash at the Beginning of the Year		3,414,495	2,077,877
CASH AT THE END OF THE YEAR	11A	2,230,190	3,414,495

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – including Australian Accounting interpretations of the Australian Accounting Standards Board, the Fair Work (Registered Organisations) Regulations 2009 and the Fair Work (Registered Organisations) Act 2009.

1.1 Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, United Voice, National Council is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for the assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. These financial statements are presented in Australian dollars.

1.2 Comparative Amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Accounting standards issued but not yet effective

There has been no accounting standards issued which will have a financial impact on the financial report in future periods and which are not yet effective.

1.4 New accounting standards for application in future periods

AASB 9: Financial Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).

These standards will be applicable retrospectively (subject to the provisions on hedge accounting) and include revised requirements for the classification and measurement of financial instruments, revised recognition and de-recognition requirements for financial instruments, and simplified requirements for hedge accounting.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

The key changes that may affect the union on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items.

AASB 1058: Income of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

This significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or conduct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract of transaction for which the entity has recognised all of the income in accordance with AASB 1004: Contributions

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

AASB 16: Leases

This Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases and* related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- Variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospect application as an adjustment to opening equity on the date of initial application

Although the directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, it is impracticable at stage to provide a reasonable estimate of such impact.

The National Council do not expect these revised standards to have a material impact on the United Voice National Council.

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.5 Investment in associates and joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

The entity's share of assets, liabilities, revenue and expenses of jointly controlled operations has been included in the financial statements. Details of the National Council's interests are provided in Note 8A.

United Voice has not invested in any new joint arrangements.

1.6 Revenue

Sustentation Fees, Property Income, Interest and Contribution Income are accounted for on an accruals basis.

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax.

1.7 Sustentation fees and levies

Sustentation fees and levies are recognised on an accruals basis and recorded as a revenue and or/expense in the year to which they relate.

1.8 Employee Benefits

Short-term employee provisions

Provision is made for the Union's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees

render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The Union's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Union does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Contributions are made to employee superannuation funds and are charged as expenses when incurred.

1.9 Leases

Operating lease payments are expenses on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.10 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.11 Cash

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.12 Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Union's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Union assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

De-recognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. The difference between the assets's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.13 Account Receivables and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1.12 for further discussion on the determination of impairment losses.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.14 Fair Value of Assets and Liabilities

The Union measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

1.15 Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuation by external independent Valuers, less subsequent depreciation for buildings. The property held at Cleveland St was valued as at 30 June, 2016 by Jones Lang LaSalle Advisory Services Pty Ltd.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Properties held for the purpose of accommodation of the Union are shown at cost price less depreciation.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Property	2%
Building improvements	15%
Office Furniture and Equipment	20%
Motor Vehicles	15%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Sale of Assets

Gains and Losses from disposal of assets are recognised when control of the asset has passed to the buyer

De-recognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset..

1.16 Taxation

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

1.17 Account Payables and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Union during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

1.18 Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

1.19 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

Any investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.20 Interests in Joint Arrangement

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

The entity's share of assets, liabilities, revenue and expenses of jointly controlled operations has been included in the financial statements. Details of the National Council's interests are provided in Note 8C.

1.21 Going Concern

United Voice National Council is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

United Voice National Council does not provide support to another reporting unit to ensure they can continue on a going concern basis.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Critical judgments in applying the Union's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR COMMISSIONER

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- (1) A member of an organisation, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

4. EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June, 2017 and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of United Voice.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
Note 5	INCOME		
5A	Contributions from Members		
	ACT Branch membership	736,088	725,410
	Tas. Branch membership income	1,263,077	1,267,811
	NT Branch membership income	<u>1,367,493</u>	<u>993,137</u>
		<u>3,364,811</u>	<u>2,986,358</u>
5B	Sustentation revenue		
	NSW Branch	1,152,427	1,200,171
	Victorian Branch	1,040,302	1,032,622
	Queensland Branch	1,892,216	1,864,618
	South Australia Branch	999,240	975,743
	Western Australia Branch	1,171,825	1,186,022
	Northern Territory Branch	<u>-</u>	<u>42,816</u>
		<u>6,256,010</u>	<u>6,301,992</u>
5C	Levies		
	Compulsory levies payable by members	<u>-</u>	<u>-</u>
5D	Interest Revenue		
	Interest on Deposits	<u>155,327</u>	<u>159,246</u>
5E	Property Revenue		
	Rental income Level 9	498,045	490,384
	Rental income from Joint arrangement	2,122,003	2,383,689
	Rental income Cleveland St Property	50,218	63,600
	Rental income NT Branch	20,700	19,147
	Rental income ACT Branch	<u>6,240</u>	<u>4,150</u>
		<u>2,697,206</u>	<u>2,960,970</u>
5F	Merchandising Revenue		
	Sale of Merchandise	<u>5,267</u>	<u>4,110</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
5G Other Revenue			
Directors Fees		167,825	290,956
Sponsorship		454,971	386,906
Levies		-	-
Sundry Income		<u>176,910</u>	<u>166,263</u>
		<u>799,706</u>	<u>844,125</u>
5H Donations			
Branch contribution to National donations		-	372,000
Donations for campaigns		<u>2,737</u>	<u>21,526</u>
		<u>2,737</u>	<u>393,526</u>
5I Gain on Sale of Assets			
Sale of Motor Vehicles		<u>5,320</u>	<u>-</u>
TOTAL INCOME		13,286,384	13,650,328
Note 6 EXPENSES			
6A Employee Expenses			
Holders of Office			
Wages and salaries		620,338	640,404
Superannuation		83,746	90,966
Leave and other entitlements		112,609	52,921
Separation and redundancies		-	-
Other Employee Expenses		<u>64,179</u>	<u>51,859</u>
Subtotal employee expenses holders of office		<u>880,872</u>	<u>836,151</u>
Employees other than office holders			
Wages and salaries		3,511,415	3,135,202
Superannuation		677,886	605,015
Leave and other entitlements		644,675	666,301
Separation and redundancies		80,662	124,371
Other Employee Expenses		<u>934,700</u>	<u>826,013</u>
Subtotal employee expenses employees other than office holders		<u>5,849,338</u>	<u>5,356,903</u>
Total employee expenses		<u>6,730,210</u>	<u>6,193,054</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
6B	Indirect Employment Costs		
	Removal/Relocation Expenses	1,884	1,144
	Education and Staff Training	33,848	51,383
	Staff Amenities	14,860	12,308
	Staff selection	16,388	4,082
	Mobile Phone	16,723	26,400
	Motor Vehicle Expenses	<u>16,218</u>	<u>10,391</u>
		<u>99,921</u>	<u>105,708</u>
6C	Affiliation Fees		
	ACTU	681,325	494,796
	Australian Labor Party – Tas. Branch	13,321	8,222
	Australian Labor Party - ACT Branch	6,618	4,620
	Australian Labor Party - NT Branch	21,757	(5,966)
	Unions Tas	14,349	13,653
	Unions ACT	6,901	6,997
	Trades and Labor Council NT	-	11,128
	UNI	67,486	82,306
	IUF	54,119	49,201
	Prison Officers Ass	1,500	1,500
	ACOSS	-	1,633
	APHEDA	<u>3,933</u>	<u>3,818</u>
		<u>871,309</u>	<u>671,908</u>
6D	Administration Expenses		
	Electricity	47,630	41,280
	General Expenses	9,499	20,895
	Postage & freight	22,739	31,278
	Printing & stationery	92,134	101,352
	Telephone - Fixed	<u>121,086</u>	<u>69,542</u>
		<u>293,088</u>	<u>264,347</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
6E Depreciation		
Depreciation - Computers	29,444	27,099
Depreciation - Motor Vehicles	10,025	10,211
Depreciation - Property	<u>154,158</u>	<u>402,937</u>
	<u>193,627</u>	<u>440,247</u>
6F Grants and Donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations		
Total paid that were \$1,000 or less	1,270	-
Total paid that exceeded \$1,000	<u>208,817</u>	<u>725,583</u>
	<u>210,087</u>	<u>725,583</u>
6G Finance Costs		
Bank Charges	9,972	27,060
Commission on PRDs	169	622
Insurance Premiums	<u>54,348</u>	<u>75,583</u>
	<u>64,489</u>	<u>103,265</u>
6H Legal Costs		
Litigation	90,680	406,809
Other Legal Costs	<u>108,712</u>	<u>34,394</u>
	<u>199,392</u>	<u>441,203</u>
6I Audit Fees		
Audit Fees	41,789	45,670
Other audit costs	<u>10</u>	<u>-</u>
	<u>41,799</u>	<u>45,670</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017

	2017	2016
	\$	\$
6J Meeting and Conference Costs		
Accommodation	146,251	157,357
Airfares	336,621	277,499
Travel allowance	61,260	66,077
Parking and cabcharges	43,775	47,980
Other meeting costs	106,352	75,006
Conference costs	173,699	67,422
	<u>867,958</u>	<u>691,341</u>
6K Campaign Costs		
ACTU Advertising Campaign for Industrial Rights	-	260,348
Other Expenses	-	285,841
Promotions - merchandise	20,394	49,928
	<u>20,394</u>	<u>596,117</u>
6L Communication Costs		
Advertising	43,465	31,245
Media costs	186,374	192,339
Union News National	162,467	333,199
SMS messages	7,902	-
Video Production	72,225	2,929
	<u>472,433</u>	<u>559,712</u>
6M IT Costs		
IT Maintenance & Support	532,359	527,263
Internet - Internet & website	143,313	136,655
	<u>675,672</u>	<u>663,918</u>
6N Property Costs		
Cleveland St running costs	9,900	60,206
NT Branch running costs	106,644	67,266
ACT Branch running costs	61,785	56,622
Tas Branch running costs	26,854	22,096
Thomas Street running costs	855,627	1,181,970
	<u>1,060,810</u>	<u>1,388,160</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017

	2017	2016
	\$	\$
6O Research Costs		
Research	563,096	274,252
Subscriptions & Journals	<u>14,982</u>	<u>18,790</u>
	<u>578,078</u>	<u>293,042</u>
6P Assistance to Branches		
Support for the Northern Territory Branch	<u>-</u>	<u>109,477</u>
6Q Loss from Sale of Asset		
Plant and equipment	<u>-</u>	<u>364</u>
Note 7 CURRENT ASSETS		
7A Cash and Cash Equivalents		
Cash at Bank	2,227,939	3,412,245
Cash on Hand	<u>2,250</u>	<u>2,250</u>
	<u>2,230,189</u>	<u>3,414,495</u>
7B Receivables		
Receivables from other reporting units		
NSW Branch	307,194	320,400
Qld Branch	564,428	500,627
SA Branch	274,295	272,754
Victorian Branch	336,610	288,152
WA Branch	<u>287,187</u>	<u>297,078</u>
Total receivables from other reporting units	1,769,714	1,679,011
Less Provision for doubtful debts	<u>-</u>	<u>-</u>
Receivable from other reporting units	<u>1,769,714</u>	<u>1,679,011</u>
Other Receivables		
Prepayments	28,060	111,962
Accrued interest	11,168	28,915
Other receivables	<u>76,312</u>	<u>239,152</u>
	<u>115,540</u>	<u>380,029</u>
Total Trade and Other Receivables	<u>1,885,254</u>	<u>2,059,040</u>

UNITED VOICE NATIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
 2017

	2017 \$	2016 \$
7C Long Service Leave Fund Investments		
Short Term Bank Deposits	4,855,005	2,846,806
Term Deposits	<u>3,162,217</u>	<u>3,298,125</u>
	<u>8,017,222</u>	<u>6,144,932</u>
Note 8 NON CURRENT ASSETS		
8A Property Plant and Equipment		
(a) Furniture & fittings		
At Cost	180,721	180,721
Less Accumulated Depreciation	<u>(180,721)</u>	<u>(180,721)</u>
	<u>-</u>	<u>-</u>
(b) IT Systems		
At Cost	177,730	177,730
Less Accumulated Depreciation	<u>(141,705)</u>	<u>(112,261)</u>
	<u>36,025</u>	<u>65,469</u>
(c) Motor Vehicles		
At Cost	65,495	88,808
Less Accumulated Depreciation	<u>(27,427)</u>	<u>(54,050)</u>
	<u>38,068</u>	<u>34,758</u>
(d) Properties		
Cleveland St property at fair value 30.6.16	5,600,000	5,600,000
less accumulated depreciation	<u>(112,000)</u>	<u>-</u>
	<u>5,488,000</u>	<u>5,600,000</u>
ACT Branch office at cost	851,394	851,394
less accumulated depreciation	<u>(360,559)</u>	<u>(338,679)</u>
	<u>490,834</u>	<u>512,715</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017

	2017	2016
	\$	\$
Tas Branch office at cost	587,613	587,613
less accumulated depreciation	<u>(187,613)</u>	<u>(187,613)</u>
	<u>400,000</u>	<u>400,000</u>
NT Branch office at acquisition value	972,024	972,024
less accumulated depreciation	<u>(32,401)</u>	<u>(12,960)</u>
	<u>939,623</u>	<u>959,065</u>
TOTAL PROPERTY	<u>7,318,457</u>	<u>7,471,780</u>
Total Property Plant and Equipment	7,392,550	7,572,006

8B RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF PROPERTY

	2017	2016
As at 1 July		
Gross Book Value	8,011,032	23,141,032
Accumulated depreciation and impairment	<u>(539,252)</u>	<u>(136,315)</u>
Net Book value 1 July	<u>7,471,780</u>	<u>23,004,717</u>
Additions		
By purchase	-	256,714
From acquisition or entities	-	965,653
Revaluations	-	2,569,351
Depreciation Expense	(153,321)	(402,937)
Other movement		
Transfer to investment property	-	(18,921,718)
Net Book value as of 30 June represented by	<u>7,318,459</u>	<u>7,471,780</u>
Gross Book Value	8,011,032	8,011,032
Accumulated depreciation and impairment	<u>(692,573)</u>	<u>(539,252)</u>
Net Book value 30 June	<u>7,318,457</u>	<u>7,471,780</u>

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF PLANT AND EQUIPMENT	2017	2016
	\$	\$
As at 1 July		
Gross Book Value	453,306	466,420
Accumulated depreciation and impairment	<u>(353,081)</u>	<u>(315,771)</u>
Net Book value 1 July	<u>100,225</u>	<u>150,649</u>
Additions		
By purchase	20,554	-
From acquisition or entities	-	-
Depreciation Expense	(2,819)	(37,310)
Disposal of Plant & Equipment	<u>(43,867)</u>	<u>(13,114)</u>
Net Book value as of 30 June represented by	<u>74,092</u>	<u>100,225</u>
Gross Book Value	429,993	453,306
Accumulated depreciation and impairment	<u>(355,900)</u>	<u>(353,081)</u>
Net Book value 30 June	<u>74,093</u>	<u>100,225</u>
8C INVESTMENT PROPERTY		
50% 187 Thomas St at fair value 30.6.17	<u>25,118,337</u>	□ <u>25,500,000</u>

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

JOINT ARRANGEMENTS - THOMAS ST PROPERTY

Set out below is the branch's 50% share of the assets, liabilities, revenue and expenses for the joint operation in a property located at 187 Thomas St, Haymarket. This property is held in partnership with the NSW Branch for the purpose of earning rental income.

Summarised Financial Position	2017	2016
	\$	\$
NON CURRENT ASSETS		
Investment property at fair value	25,118,337	25,500,000
TOTAL NON CURRENT ASSETS	<u>25,118,337</u>	<u>25,500,000</u>
CURRENT ASSETS		
Deposit and sundry debtors	30,612	35,457
Accrued interest	6,868	24,428
Prepayments	18,901	9,529
Cash at Bank	488,323	772,449
Investments	3,911,698	3,298,125
TOTAL CURRENT ASSETS	<u>4,456,402</u>	<u>4,139,988</u>
TOTAL ASSETS	<u>29,574,739</u>	<u>29,639,988</u>
LIABILITIES		
Sundry Creditors	106,925	196,892
TOTAL LIABILITIES	<u>106,925</u>	<u>196,892</u>
NET ASSETS	<u>29,467,814</u>	<u>29,443,095</u>

UNITED VOICE NATIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
 2017

JOINT ARRANGEMENTS - THOMAS ST PROPERTY CONT'D

	2017	2016
	\$	\$
Summarised Financial Performance		
INCOME		
Interest	96,193	84,972
Rent received	2,396,135	2,383,689
	<u>2,492,327</u>	<u>2,468,661</u>
EXPENDITURE		
Audit and Accountancy Fees	-	1,000
Building Running Expenses	705,583	836,972
Property running costs	40,293	39,597
Depreciation	-	321,108
General Expenses	4,504	397
Leasing Fees, Management	106,083	28,013
Level 9 rent paid to National Council	274,132	276,992
TOTAL EXPENDITURE	<u>1,130,595</u>	<u>1,504,079</u>
OPERATING SURPLUS FOR THE YEAR	<u>1,361,732</u>	<u>964,583</u>
(Loss)/Gain on revaluation of property	<u>(381,663)</u>	<u>6,578,283</u>
SURPLUS FOR THE YEAR	<u>980,069</u>	<u>7,542,866</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note 9		
CURRENT LIABILITIES		
9A Sundry Creditors		
Trade creditors and accruals	400,226	921,489
<u>Payables to other reporting units</u>		
United Voice NSW Branch	-	-
United Voice SA Branch	-	5,349
United Voice WA Branch	2,685	5,483
United Voice Vic Branch	50,839	31,488
United Voice Qld Branch	8,231	27,320
<u>Other payables</u>		
Thomas St payables	45,967	196,892
Superannuation	48,457	46,872
Commission owing	-	-
Litigation	37,828	20,594
Payroll deductions	9,008	6,913
Prepaid Income	163,603	163,603
GST payable	351,398	354,680
	<u>1,118,242</u>	<u>1,780,682</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2017

Note	2017	2016
	\$	\$
10	PROVISIONS	
10A	Employee Provisions	
	Office Holders:	
	Annual Leave	168,428
	Long Service Leave	177,939
	Separations and redundancies	-
	Other	-
	Subtotal employee provisions - office holders	346,366
	Employees other than Office Holders	
	Annual Leave	487,592
	Long Service Leave	381,891
	Separations and redundancies	-
	Other	-
	Subtotal employee provisions - employees other than office holders	869,484
	Total Employee provisions	1,215,850
	Current	1,035,785
	Non-current	180,065
	Total Employee provisions	1,215,850
		1,028,755
		111,787
		1,140,542

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Note		
11 CASH FLOW		
11A RECONCILIATION OF CASH		
Cash at Bank	2,227,940	3,412,745
Cash at Hand	2,250	1,750
	<u>2,230,190</u>	<u>3,414,495</u>
Cash flow statement	2,230,190	3,414,495
Balance Sheet	<u>2,230,190</u>	<u>3,414,495</u>
Difference	<u>-</u>	<u>-</u>
11B RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH NET SURPLUS		
Net Surplus	525,454	6,935,496
Non Cash Flows in Net Surplus		
Depreciation	193,627	440,247
(Gain)/Loss on Disposal of Assets	(5,320)	364
Thomas Street Surplus	(1,361,732)	(964,583)
Fair value loss/(gain) on revaluation	381,663	(6,578,283)
Changes in Assets and Liabilities		
Decrease in stock on hand	14,757	-
Decrease in receivables and other receivables	101,204	66,220
Decrease in prepayments	83,902	626
Decrease /(Increase)in Accrued Interest	17,746	(18,500)
(Increase)/Decrease in Amounts due from Branches	(29,065)	229,832
(Decrease)/increase in Sundry Creditors	(662,440)	304,775
Increase in Employees Provisions	75,307	233,279
	<u>(664,898)</u>	<u>649,473</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017

11C CASH FLOW INFORMATION	2017	2016
	\$	\$
Cash Inflows		
Sustentation received		
NSW Branch	1,280,098	1,332,210
NT Branch	-	104,653
Qld Branch	2,073,198	2,053,028
SA Branch	1,093,235	1,067,070
Victorian Branch	1,140,147	1,110,314
WA Branch	<u>1,298,899</u>	<u>1,342,259</u>
Total cash inflows from sustentation	<u>6,885,577</u>	<u>7,009,533</u>
 Other receipts from related parties		
NSW Branch	143,334	298,664
NT Branch	-	-
Qld Branch	69,281	228,545
SA Branch	81,745	201,652
Victorian Branch	8,801	261,969
WA Branch	<u>48,716</u>	<u>202,299</u>
Total cash inflows from other receipts	<u>351,877</u>	<u>1,193,129</u>
 Cash Outflows		
NSW Branch	88,812	140,882
NT Branch	-	65,172
Qld Branch	53,397	99,262
SA Branch	114,119	91,682
Victorian Branch	180,413	49,536
WA Branch	<u>138,520</u>	<u>124,814</u>
Total cash outflows	<u>575,261</u>	<u>571,348</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30
JUNE 2017

		2017	2016	
Note				
12	RELATED PARTIES			
	National President	Gary Bullock	1.7.16	30.6.17
	National Vice Presidents	Lyndal Ryan	1.7.16	30.6.17
		Jess Walsh	1.7.16	30.6.17
	National Secretary	Jo-Anne Schofield	1.7.16	30.6.17
	Assistant National Secretaries	David McElrea	1.7.16	13.1.17
		Helen Gibbons	1.7.16	30.6.17
	Executive Members	Melanie Gatfield	1.7.16	30.6.17
		Julie Korleveska	1.7.16	30.6.17
		Gary Bullock	1.7.16	30.6.17
		Sheila Hunter	1.7.16	30.6.17
		David DiTroia	1.7.16	30.6.17
		Donna Duke	1.7.16	30.6.17
		Carolyn Smith	1.7.16	30.6.17
		Karma Lord	11.8.16	30.6.17
		Jess Walsh	1.7.16	30.6.17
		Ben Redford	1.7.16	30.6.17
		Jannette Armstrong	1.7.16	30.6.17
		Erina Early	1.7.16	30.6.17
		Lyndal Ryan	1.7.16	30.6.17

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2017

12B	KEY MANAGEMENT PERSONNEL REMUNERATIONS FOR THE REPORTING PERIOD	2017	2016
	Short-term employee benefits		
	Salary (including annual leave taken)	754,911	731,146
	Annual leave accrued	18,319	12,348
	Performance bonus	-	-
	Other benefits	<u>9,673</u>	<u>9,673</u>
	Total short-term employee benefits	<u>782,903</u>	<u>753,167</u>
	Post-employment benefits		
	Superannuation	<u>98,138</u>	<u>90,966</u>
	Total post-employment benefits	<u>98,138</u>	<u>90,966</u>
	Other long-term benefits:		
	Long service leave accrual	<u>19,759</u>	<u>10,639</u>
	Total other long term benefits	<u>19,759</u>	<u>10,639</u>
	Termination benefits	<u>-</u>	<u>-</u>
	Total	<u>900,800</u>	<u>854,772</u>

12C REMUNERATION PAID TO OFFICIALS OF THE UNION

	Salary & wages	Superannuation	Other Benefits	Total
Jo-anne Schofield (National Secretary)	148,419	17,503	-	165,922
Lyndal Ryan (ACT Branch Secretary)	122,853	22,599	9,673	155,124
Jannette Armstrong (Tas Branch Secretary)	138,449	16,545	-	154,994
Erina Early (NT Branch Secretary)	144,917	17,246	-	162,164
David McElrea (Former Asst Nat Sec.)	109,564	8,895	-	118,459
Helen Gibbons (Asst Nat Sec.)	139,460	16,184	-	155,645

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

Note 12D OTHER TRANSACTIONS

There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

Note 12E OTHER RELATED PARTY TRANSACTIONS

The National Council is the ultimate controlling entity of the United Voice Union.

Transactions with Branches:

- (i) Sustentation fees charged to Branches are disclosed as income in the statement of comprehensive income and detailed in Note 5B.
- (ii) Assistance by the National Council to the Northern Territory Branch is disclosed as an expense in the Income Statement.
- (iii) Transactions between the Branches of the Union and the National Office occur for the provision of services and reimbursement of expenses. The amounts paid and received from the Branches are disclosed in the Cash Flow Statement and detailed in Note 11C.
- (iv) The amounts receivable from Branches are disclosed in the statement of financial position and detailed in Notes 7B and 9A.
- (v) As disclosed at Note 8C, the National Council and NSW Branch have a joint arrangement in the Thomas Street Property Account.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

13. FINANCIAL RISK MANAGEMENT

Overview

The union is exposed to risks that arise from its use of financial instruments. This note describes the union's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the union's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The union's financial instruments consist mainly of deposits with banks, trade receivables and payables. The main risks the union is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The Union's Committee of Management has overall responsibility for the establishment and oversight of the risk management framework. The Union's risk management policies are established to identify and analyse the risks faced by the Union, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Union's activities. The Union, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the union incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the union.

There is no concentration of credit risk with respect to current and non-current receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2017	2016
	\$	\$
Debtors – Branches	1,769,714	1,679,011
Other receivables	76,312	239,151
	<hr/>	<hr/>
Total loans and receivables	1,846,026	1,918,162

There has been no history of default and all receivables are likely to be repaid within the expected terms.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017

Impairment Losses

The ageing of the Union's trade and other receivables at the reporting date was:

2017	Gross Amount	Past Due but not impaired	
		< 30 days	> 30 days
Receivables from other reporting entities	1,769,714	1,769,714	-
Other Receivables	<u>76,312</u>	<u>64,669</u>	<u>11,643</u>
	<u>1,905,341</u>	<u>1,893,698</u>	<u>11,643</u>

2016

Receivables from other reporting entities	1,679,011	1,679,011	-
Other Receivables	<u>239,151</u>	<u>218,831</u>	<u>20,320</u>
	<u>1,918,162</u>	<u>1,897,842</u>	<u>20,320</u>

Cash and cash equivalents

The Union held cash and cash equivalents of

	2017	2016
	\$	\$
Cash	2,230,189	3,414,495
Term deposits employee leave fund	<u>8,017,222</u>	<u>6,144,932</u>
Total cash and cash equivalents	<u>10,247,411</u>	<u>9,559,427</u>

The cash and cash equivalents are held at highly rated bank and financial institution counterparts.

Collateral held as Security

The Union does not hold Collateral with respect to its trade and other receivables at 30 June, 2017.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

13. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Liquidity Risk

Liquidity risk is the risk that the union may encounter difficulties raising funds to meet commitments associated with financial liabilities.

As at 30 June 2017 the Union had cash of \$2,230,189 (2016: \$3,414,495) to meet these commitments as they fall due. Financial liabilities at 30 June 2017 totalled \$1,118,242 (2016: \$1,780,683). The Union manages liquidity risk by monitoring cash flows and maintains an investment fund in respect of the leave liability.

(c) Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

At the reporting date the interest rate profit of the Union's interest bearing financial instruments was:

Variable rate instruments	2017	2016
	\$	\$
Bank Balances	2,230,189	3,414,495
Call deposits	4,867,575	3,097,163
Term deposits	<u>3,149,647</u>	<u>3,047,769</u>
	<u>10,247,411</u>	<u>9,559,427</u>

(d) Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities, is summarised below.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017

13. FINANCIAL RISK MANAGEMENT (CONT'D)

30 June 2017	Floating Interest Rate	Fixed Interest Rate		Non-interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	2,227,939	-	-	2,250	2,230,189
Call deposits	4,867,575	-	-	-	4,867,575
Term deposits	-	3,162,217	-	-	3,162,217
	<u>7,095,514</u>	<u>3,162,217</u>	<u>-</u>	<u>2,250</u>	<u>10,259,981</u>
Financial Liabilities					
Payables	-	-	-	(1,118,242)	(1,118,242)
Net financial assets	<u>7,095,514</u>	<u>3,162,217</u>	<u>-</u>	<u>(1,115,992)</u>	<u>9,141,739</u>
Weighted average Interest	0.5%	2.8%			

30 June 2016	Floating Interest Rate	Fixed Interest Rate		Non-interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	3,412,245	-	-	2,250	3,414,495
Term deposits	-	6,144,932	-	-	6,144,932
Employee leave fund	-	-	-	-	-
	<u>3,412,245</u>	<u>6,144,932</u>	<u>-</u>	<u>2,250</u>	<u>9,559,427</u>
Financial Liabilities					
Payables	-	-	-	(1,780,683)	(1,780,683)
Net financial assets	<u>3,412,245</u>	<u>6,144,932</u>	<u>-</u>	<u>(1,778,433)</u>	<u>7,778,744</u>
Weighted average Interest	0.5%	3%			

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

13. FINANCIAL RISK MANAGEMENT (CONT'D)

Sensitivity Analysis

2017	Carrying Amount	+1%	-0.25%
		Profit	Loss
	\$	\$	\$
Cash at Bank and at call	7,095,514	70,955	17,739
Term deposits	3,162,217	31,496	7,874
2016	Carrying Amount	+1%	-0.25%
		Profit	Loss
	\$	\$	\$
Cash at Bank	3,412,245	34,122	8,531
Other deposits	6,144,932	61,449	15,362

(e) Other Price Risks

The union does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(f) Foreign Exchange Risk

The union is not exposed to foreign exchange rate risk.

14. FINANCIAL INSTRUMENTS – FAIR VALUES

14a Accounting classifications and fair values

Management of the reporting unit assessed that cash, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

UNITED VOICE NATIONAL COUNCIL

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2017**

15. REGISTERED OFFICE

The registered office and principal place of business of the National Council is:

303 Cleveland Street
REDFERN NSW 2016

**INDEPENDENT AUDITOR'S REPORT TO
UNITED VOICE NATIONAL COUNCIL**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Union Voice National Council, which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in accumulated funds and cash flow statement for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies; and the National Executive Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Union Voice National Council as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The National Executive is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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**INDEPENDENT AUDITOR'S REPORT TO
UNITED VOICE NATIONAL COUNCIL****Responsibilities of the National Executive for the Financial Report**

The National Executive of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the National Executive determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the National Executive is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Executive either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Executive.
- Conclude on the appropriateness of the National Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT TO
UNITED VOICE NATIONAL COUNCIL**

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the National Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of Institute of Chartered Accountants in Australia and hold a current Public Practice Certificate.

H M Chadwick

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000

G Webb

GRAHAM WEBB

Partner

Dated: 23 November 2017

Registration Number: AA2017/22